

Congressman Ron Paul U.S. House of Representatives May 16, 2002 Stop Perpetuating the Welfare State

Mr. PAUL. Mr. Speaker, no one can deny that welfare programs have undermined America's moral fabric and constitutional system. Therefore, all those concerned with restoring liberty and protecting civil society from the maw of the omnipotent state should support efforts to eliminate the welfare state, or, at the very last, reduce federal control over the provision of social services. Unfortunately, the misnamed Personal Responsibility, Work, and Family Promotion Act (H.R. 4737) actually increases the unconstitutional federal welfare state and thus undermines personal responsibility, the work ethic, and the family.

H.R. 4737 reauthorizes the Temporary Assistance to Needy Families (TANF) block grant program, the main federal welfare program. Mr. Speaker, increasing federal funds always increases federal control as the recipients of the funds must tailor their programs to meet federal mandates and regulations. More importantly, since federal funds represent resources taken out of the hands of private individuals, increasing federal funding leaves fewer resources available for the voluntary provision of social services, which, as I will explain in more detail later, is a more effective, moral, and constitutional means of meeting the needs of the poor.

H.R. 4737 further increases federal control over welfare policy by increasing federal mandates on welfare recipients. This bill even goes so far as to dictate to states how they must spend their own funds! Many of the new mandates imposed by this legislation concern work requirements. Of course, Mr. Speaker, there is a sound argument for requiring recipients of welfare benefits to work. Among other benefits, a work requirement can help a welfare recipient obtain useful job skills and thus increase the likelihood that they will find productive employment. However, forcing welfare recipients to work does raise valid concerns regarding how much control over one's life should be ceded to the government in exchange for government benefits.

In addition, Mr. Speaker, it is highly unlikely that a "one-size-fits-all" approach dictated from Washington will meet the diverse needs of every welfare recipient in every state and locality in the nation. Proponents of this bill claim to support allowing states, localities, and private charities the flexibility to design welfare-to-work programs that fit their particular circumstances. Yet, as Minnesota Governor Jesse Ventura points out in the attached article, this proposal constricts the ability of the states to design welfare-to-work programs that meet the unique needs of their citizens.

As Governor Ventura points out in reference to this proposal's effects on Minnesota's welfare-to-welfare work program, "We know what we are doing in Minnesota works. We have evidence. And our way of doing things has broad support in the state. Why should we be forced by the federal government to put our system at risk?" Why indeed, Mr. Speaker, should any state be forced to abandon its individual welfare programs because a group of self-appointed experts in Congress, the federal bureaucracy, and inside-the-beltway think tanks have decided there is only one correct way to transition people from welfare to work?

Mr. Speaker, H.R. 4737 further expands the reach of the federal government by authorizing \$100 million dollars for new "marriage promotion" programs. I certainly recognize how the welfare state has contributed to the decline of the institution of marriage. As an ob-gyn with over 30 years of private practice. I know better than most the importance of stable, two parent families to a healthy society. However, I am skeptical, to say the least, of claims that government education programs can fix the deep-rooted cultural problems responsible for the decline of the American family.

Furthermore, Mr. Speaker, federal promotion of marriage opens the door for a level of social engineering that should worry all those concerned with preserving a free society. The federal government has no constitutional authority to promote any particular social arrangement; instead, the founders recognized that people are better off when they form their own social arrangements free from federal interference. The history of the failed experiments with welfarism and socialism shows that government can only destroy a culture; when a government tries to build a culture, it only further erodes the people's liberty.

H.R. 4737 further raises serious privacy concerns by expanding the use of the "New Hires Database" to allow states to use the database to verify unemployment claims. The New Hires Database contains the name and social security number of everyone lawfully employed in the United States. Increasing the states' ability to identify fraudulent unemployment claims is a worthwhile public policy goal. However, every time Congress authorizes a new use for the New Hires Database it takes a step toward transforming it into a universal national database that can be used by government officials to monitor the lives of American citizens.

As with all proponents of welfare programs, the supporters of H.R. 4737 show a remarkable lack of trust in the American people. They would have us believe that without the federal government, the lives of the poor would be "nasty, brutish and short." However, as scholar Sheldon Richman of the Future of Freedom Foundation and others have shown, voluntary charities and organizations, such as friendly societies that devoted themselves to helping those in need, flourished in the days before the welfare state turned charity into a government

function.

Today, government welfare programs have supplemented the old-style private programs. One major reason for this is that the policy of high taxes and the inflationary monetary policy imposed on the American people in order to finance the welfare state have reduced the income available for charitable giving. Many over-taxed Americans take the attitude toward private charity that "I give at the (tax) office."

Releasing the charitable impulses of the American people by freeing them from the excessive tax burden so they can devote more of their resources to charity, is a moral and constitutional means of helping the needy. By contrast, the federal welfare state is neither moral or constitutional. Nowhere in the Constitution is the federal government given the power to level excessive taxes on one group of citizens for the benefit of another group of citizens. Many of the founders would have been horrified to see modern politicians define compassion as giving away other people's money stolen through confiscatory taxation. In the words of the famous essay by former Congressman Davy Crockett, this money is "Not Yours to Give."

Voluntary charities also promote self-reliance, but government welfare programs foster dependency. In fact, it is the self-interests of the bureaucrats and politicians who control the welfare state to encourage dependency. After all, when a private organization moves a person off welfare, the organization has fulfilled its mission and proved its worth to donors. In contrast, when people leave government welfare programs, they have deprived federal bureaucrats of power and of a justification for a larger amount of taxpayer funding.

In conclusion, H.R. 4737 furthers federal control over welfare programs by imposing new mandates on the states which furthers unconstitutional interference in matters best left to state local governments, and individuals. Therefore, I urge my colleagues to oppose it. Instead, I hope my colleagues will learn the lessons of the failure of the welfare state and embrace a constitutional and compassionate agenda of returning control over the welfare programs to the American people through large tax cuts.

Welfare: Not the Fed's Job (By Jesse Ventura)

In 1996, the federal government ended 60 years of failed welfare policy that trapped families in

dependency rather than helping them to self-sufficiency. The 1996 law scrapped the federally centralized welfare system in favor of broad flexibility so states could come up with their own welfare programs. It was a move that had bipartisan support, was smart public policy and worked.

Welfare reform has been a huge success. Even those who criticized the 1996 law now agree it is working. Welfare case loads are down, more families are working, family income is up, and child poverty has dropped.

The reason is simple: state flexibility. In six short years the states undid a 60-year-old federally prescribed welfare system and created their own programs which are far better for poor families and for taxpayers.

But now it appears the Bush administration is having second thoughts about empowering the states. The administration's proposal would return us to a federally prescribed system. It would impose rules on how states work with each family, forcing a "one size fits all" model for a system that for the past six years has produced individualized systems that have been successful in states across the country.

I would hope that as a former governor, President Bush would understand that these problems are better handled by the individual states. The administration's proposal would cripple welfare reform in my state and many others.

I know that my friend Health and Human Services Secretary Tommy Thompson did a wonderful job of reforming Wisconsin's welfare system. But that doesn't mean the Wisconsin system would be as effective in Vermont. My state of Minnesota is also a national model for welfare reform. It is a national model, in part because we make sure welfare reform gets families out of poverty. How do we do this? Exactly the way President Bush and Secretary

Thompson would want us to do it: by putting people to work. But here's the rub- it matters how families on welfare get to work. In Minnesota, we work with each family one on one and use a broad range of services to make sure the family breadwinner gets and keeps a decent job. For some families it might take a little longer than what the president is comfortable with, but the results are overwhelmingly positive. A three-year follow-up of Minnesota families on welfare

found that more than three-quarters have left welfare or gone to work. Families that have left welfare for work earn more than \$9 an hour, higher than comparable figures in other states. The federal government has twice cited Minnesota as a leader among the states in job retention and advancement.

An independent evaluation of Minnesota's welfare reform pilot found it to be perhaps the most successful welfare reform effort in the nation. The evaluation found Minnesota's program not only increased employment and earnings but also reduced poverty, reduced domestic abuse, reduced behavioral problems with kids and improved their school performance. It also found that marriage and marital stability increased as a result of higher family incomes.

The administration's proposal would have Minnesota set all this aside and focus instead on make-work activities. In Minnesota we believe that success in welfare reform is about helping families progress to a self-sufficiency that will last. While it may be politically appealing to demand that all welfare recipients have shovels in their hands, it makes sense to me that the states- and not the feds- are in the best position to make those decisions.

We know what we are doing in Minnesota works. We have evidence. And our way of doing things has broad support in the state. Why should we be forced by the federal government to put our system at risk?

I believe in accountable and responsive government, and have no problem with the federal government holding states accountable for results in welfare reform. But I also believe that in this case the people closest to the problem should be trusted to solve the problem and be left alone if they have.

Secretary Thompson, with the blessing of the president, seems to be taking us down a road that violates the tenets of states' rights.

Say it ain't so, Tommy. As long as it's working, why not let the states do our own thing?